



MEMORANDUM

January 7, 2003

TO: CRWCD BOARD OF DIRECTORS

FROM: CHRIS TREESE

RE: 2004 Legislative Landscape and Outlook

The Regular Session of the 64th Colorado General Assembly convened today. As of this writing, no legislation has been officially introduced. Accordingly, this memo only covers the general landscape and outlook for water legislation along with a list of active constitutional initiatives, proposals, or plans.

I will again this year email water-related legislation to board members for review. I will also prepare summaries and recommended positions for board action at regular and special board meetings during the legislative session. I anticipate that the Board will again chose to hold bi-weekly conference calls to adopt legislative positions, provide direction, and receive updates. I will ask you to confirm this at the January meeting.

LANDSCAPE

Legislators returned to the Capitol after a seven month hiatus. However, the final days of the 2003 session will color the opening weeks of this year's session. The minority party still feels the sting of the highly partisan, end-of-the-session debate of redistricting. How long this resentment lingers and how it is manifest is unknown.

Other important features and challenges likely to shape this session:

- First and foremost, this is an election year.
- The District Court's ruling in favor of the challengers concerning redistricting will likely be appealed.
- Because of a tie vote last year, Senator Hillman (R-Burlington) will replace Senator Anderson (R-Lakewood) as Senate majority leader. Senator Hillman is generally

- more conservative than Anderson.
- The state's fiscal outlook is improving (3.7% increase forecast), however, significant budget challenges remain.
- The "Perfect Storm" of Constitutional-based fiscal restraints/requirements (TABOR, Gallagher, Amendment 23) will be reviewed for potential legislative fixes. Additionally, one bill will call for a constitutional convention.
- Nearly \$60 million will have to be cut from the current FY 03-04 budget. (Securitizing tobacco settlement funds, transfers and other accounting schemes would reduce or eliminate this amount.)
- Constitutionally required TABOR refunds are anticipated as early as next year (FY 04-05).

BALLOT ISSUES

- The "Right-to-Float" proponents last year promised an initiative campaign in 2004. (They have made similar announcements in the past without following through.)
- Douglas Bruce is returning with his proposal to reduce each tax levied annually by \$25/year with an annual escalation of \$25/year. In the past, we estimated that the River District's General Fund would be decimated by year two and the General Fund would effectively be out of business in year three.
- Douglas Bruce acolytes, Dennis Pohill and Doug Campbell, are proposing an initiative to make it easier to get initiatives on the ballot.
- The Bell Policy Center will champion an initiative to modify the TABOR amendment.
- A couple lobbyists are pursuing a proposal to effectively eliminate powers of eminent domain for local governments.
- Another lobbyist pair will seek to repeal by initiative Representative Rippy's construction defects bill (2003).
- Stay tuned - there will be more.

ANTICIPATED WATER-RELATED LEGISLATION

Attached is list of water-related and district-related legislation on my radar screen for the upcoming legislative session. Not all of these issues will mature to legislation, others will spawn more than a single legislative proposal.